

**Prospective Payment System  
Rate Adjustment  
(Change in Scope of Services)**

MAP 100501  
11/01 Edition

Line #	Interim Rate for Change in Service (Column 1)	Final Rate for Change in Service (Column 2)
<b><u>Cost of Existing Services:</u></b>		
1 Current PPS Rate	<u>Medicaid</u>	<u>Medicaid</u>
2 Medicaid Visits for Existing Services (Avg # of Visits for Base Years)		
3 Total Medicaid Cost of Existing Services	<u>Line 1 times Line 2</u>	
<b><u>Change in Service :</u> (based on projected financials from provider)</b>		
4 Total Direct Cost Associated with Change in Service	Provider Projection	
5 Administrative Cost Allocation (Avg % of Adm Cost for Base Years as % of direct cost)	Admin Cost % times Line 4	
6 Total Cost of Change in Service	<u>Line 4 plus Line 5</u>	
7 Medicaid Visits for Change in Service	Provider Projection	
8 Total Visits for Change in Service	Provider Projection	
9 Medicaid Visits as % of Total Visits	Line 7 divide by Line 8	
10 Total Medicaid Cost of Change in Service	<u>Line 6 times Line 9</u>	
<b><u>New Rate Calculation:</u></b>		
11 Total Medicaid Cost of Existing Services	Line 3	
12 Total Medicaid Cost of Change in Service	Line 10	
Total Medicaid Cost of Existing Services and Projected Medicaid Cost of Change in Service	<u>Line 11 plus Line 12</u>	
<b><u>Volumes for Existing and Change in Services:</u></b>		
14 Medicaid Visits for Existing Services	Line 2	
15 Medicaid Visits for Change in Service	Line 7	
16 Medicaid Volumes for Existing and Change in Services	<u>Line 14 plus Line 15</u>	
<b><u>Calculation of Changed PPS Rate:</u></b>		
17 Total Medicaid Cost of Existing Services and Projected Medicaid Cost of New Service	Line 13	
18 Medicaid Volumes for Existing and Change in Services	Line 16	
19 Medicaid Interim PPS Rates	Column 1- Line 17 divided by Line 18	
20 Medicaid Final PPS Rates		Column 2- Line 17 divided by Line 18
<b><u>Medicaid Reimbursement Reconciliation:</u></b>		
21 Medicaid Interim PPS Rate		Column 1- Line 19
22 Medicaid Final PPS Rate (Year 1)		Column 2- Line 20
23 Difference		Column 2- Line 21 less Line 22
24 Actual Medicaid Volumes (Year #1)		Column 2- Line 16
25 Balance Due Medicaid / (Provider)		Column 2-Line 23 times Line 24